



# Pride Security, LLC

Securing the Future

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WL Laney

## **WL Laney**

Author, Entrepreneur, Inventor, Merger & Acquisitions specialist, and Business Consultant

- With over forty years of experience owning and operating small businesses, Mr. Laney offers a unique background in starting and operating private business opportunities.
- His current project is a proof of concept for a new training program on turning a business for growth and profit.
- Much like the current range of flipping houses, Mr. Laney's program demonstrates the advantage of working the same magic with small businesses.

Pride Security, LLC is an established security services provider that was founded in 2009. The Company has established infrastructure to operate full-service security services and offers a range of security guard services, gate/boom guarding, patrolling guards, and live surveillance services as an on-demand service provider targeting local business, commercial establishments and government organizations. Pride Security, LLC positions its product and service offerings very carefully, they are of extremely high quality, relevant to the current market trends, meet customer's needs, and improve upon current security service offerings available on the market while differentiating Pride Security from our competitors

## **Opportunity**

US demand for private contracted security services is projected to expand 4.2 percent per year through 2019 to \$66.9 billion. Gains will be supported by the real and perceived risk of crime and by accelerating economic activity, particularly as new businesses form and create new users of security services. Revenues will benefit from a strong rebound in new nonresidential construction and an acceleration in residential construction activity, as well as major improvement and renovation projects. The use of contracted security will be further supported by the regulatory burden of fielding an in-house security force. Security is not a core competency for most businesses and as a result, outsourcing is generally more efficient.

## **Problem Worth Solving**

Nearly every day, businesses are faced with the problem of where to find the cost-effective security services provider that is structured to meet all their security-related service needs. While there are many security services providers in the local market, mostly offering stationary security guards, costing more and exposing the guards to certain elements.

## **Our Solution**

Pride Security operates as a full-service on-demand security services provider offering revolving patrol under the competitive cost, covering an area faster than a stationary guard can secure in the presence of an advanced warning and alert system.

## **Proven Business Model**

### **Full-Service On-Demand Security Services**

Pride Security, LLC primarily operates as an on-demand security services provider where clients can enter into contract for desired security service as per their specific needs and at their desired location and Pride Security, LLC sends their security guards to secure the location.

## Sources of Revenue

Pride Security, LLC has three main sources of revenue:

1. On-Demand Security Services
2. Monthly Billing Contracts
3. Long-term Commercial Contracts

## Current Service Offerings

Service offerings at Pride Security, LLC are designed to meet and address the contemporary business client's security service needs. In line with the Company's high-quality service at affordable prices philosophy, a wide range of security services are be offered. Pride Security, LLC's offerings cover a wide price range, largely influenced by demand and client preferences determined during market validation. Pride Security, LLC's main services offerings include:

### Security Guard Service

- Uniformed Security
- Armed Licensed Security Guards
- Unarmed Security Guards
- Vehicle Patrol
- Event Staff
- Temporary & Emergency Officers
- Access Control

### Roving Vehicle Patrol

- Random Security Visits
- Dedicated Patrol Vehicles
- Rapid Response
- Foot Patrol Services
- Bike Patrol

### Executive & VIP Protection

Highly-qualified staff provide enhanced security and peace of mind for executives at work, at home, or in transit. Executive & VIP Protection service offerings include:

- Armed Licensed Security Escort Services
- Unarmed Security Escort Services
- Secure Transport
- Dignitary Protection
- Pre-arrival Inspections
- Family Protection

### Commercial Property Physical Security

On-site security staff manages your location's physical security needs including access control and conducting routine property patrols. Commercial Property Physical Security service offerings include:

- Event and Venue Security
- Premises Security
- Storefront Security
- Access Control
- Parking Enforcement

## Security Consulting

Experienced professionals are available to help formulate/revise your organization's security strategy and planning, including threat analysis and implementation of risk mitigation strategies. Security Consulting service offerings include:

- Private Security Consulting
- Needs and Situation Analysis
- Risk Advisory
- Staffing
- Customized Security Plans

## Off-Duty Law Enforcement Personnel Staffing

Highly-trained current law enforcement officers can supplement your security services (currently available only in the District of Columbia).

- Emergency Staffing Services
- Professional Training
- Security Consulting
- Investigations / Detective Services
- Vehicle Patrol
- CCTV Monitoring

## Major Competitors

Most existing competitors typically offer a set of specialized security services. These competitors may have greater resources, more brand recognition and larger install bases of customers.

## Local Competitors

Pride Security, LLC have identified the following major competitors.



## **Competitive Edge**

### **Service Innovation**

Pride Security, LLC focuses on service innovation and adopt innovative technologies, latest trends in security services industry that make it stand out from competition.

### **Customer Experience**

Pride Security, LLC's security service offerings enable unique experience for the customers with their experienced security services experts coupled with the Company's service innovation philosophy.

Customer experience is a critical component of Pride Security, LLC's success and customer experience is the focal point of attention of all Pride Security, LLC's service offerings in order to ensure that customers are given the best service possible.

### **Management**

Highest quality management team, having experience in security service offerings enables Pride Security, LLC to stay abreast of the competition.

### **Strategic Partnerships**

Pride Security, LLC will be developing long-term relations with its strategic partners to handle efficient delivery of security service.

## **Exceptionally Trained, Rigorously Screened Staff**

Pride Security applies multiple recruiting procedures to attract quality applicants which vary but can include:

- Print and digital advertising
- Industry events (e.g., seminars, tradeshow and industry conferences) military and law enforcement gatherings
- Local job fairs
- Employee referrals

Each applicant must undergo criminal background checks, fingerprinting, aptitude tests, drug screening, and a Pride Security pre-employment screening before being hired.

## **External know-how**

One of the key strengths of Pride Security is that a large part of the vital expertise and know-how with related service providers. Pride Security, LLC have established a cozy working relationship with top companies in the related products and services providers for guidance and assistance in those areas where the Pride Security, LLC lack knowledge and expertise.

## **Target Audiences**

The Company will focus on the following segments:

### **Building Management Companies**

Building management companies generally install surveillance equipment and employ security guards to monitor that equipment, to staff front desks/security checks, and sometimes for general patrol. These companies often work with a number of commercial or residential buildings and look to establish a relationship with one reliable vendor for all of their security guard needs. While some buildings require night-shift guards, others require only day coverage.

### **Large Retail Establishments**

Large retail businesses use security guards to deter theft and to provide safety. These include department stores and other retail stores over 4,000 square feet, although some smaller stores may use security guards if they sell high-priced items (designer fashion, jewelry, technology, etc.). Retailers require more guards during the day. Some simply lock the store at night while some larger department stores use night patrols as well.

### **Event Venues**

Event venues use security guards to monitor guest lists and fire capacities and to organize emergency response. Nightclubs and bars may be included in this category. However, most nightclubs and bars employ their own security personnel (or "bouncers") directly and do not use vendors. Event security has the same risks as other security, but there is limited time for security audits and situations change fast, making this a higher stress business that requires better trained guards. Events tend to happen in the evenings with weekday nights for corporate events and weekend nights for private events.

### **Educational Institutions**

Educational institutions, such as primary and secondary schools and colleges, generally employ security officers to guard and patrol their buildings and campuses. Often these institutions employ their own in-house security staff, but they will sometimes use outsourced security vendors. These institutions require night and day patrols.



## Marketing Plan

### Positioning

Pride Security is the go-to security services provider for the clients who are looking for quality security services. Relying on the common adage "a good service sells itself; Pride Security, LLC positions itself as a high quality, low-cost provider of quality security services to meet the needs of local businesses, commercial establishments and HOA's.

### Strategy

- Acquire clients in a highly efficient manner.
- Strategically position our services to address large target audiences.
- Utilize acute targeting tactics across multiple channels.
- Focus on target marketing to increase market penetration and domination.

### Multi-Channel Marketing

We anticipate a multi-channel and multi-pronged marketing plan including:

- Direct outreach to target audience.
- Social media campaign (Twitter, Facebook, Instagram & YouTube)
- Search Engine Optimization & Placement
- Franchise Partners / Affiliate Network
- Independent Reps
- Strategic Partnerships & Tie-ups with other Security Service Providers

### Early Successes

- Established brand
- Effective customer acquisition cost
- Good PR, press and testimonials

## Future Plans

The owner plan on using internally generated funds to expand the company's business significantly and enhance profitability. The focus of the company will remain on providing quality services, building infrastructure rapidly and to investigate other opportunities for investments relevant service offerings. Reinvestment of a portion of the profits will be critical to maintaining a competitive advantage in the security services business as technology improves.



## Past Financial Performance

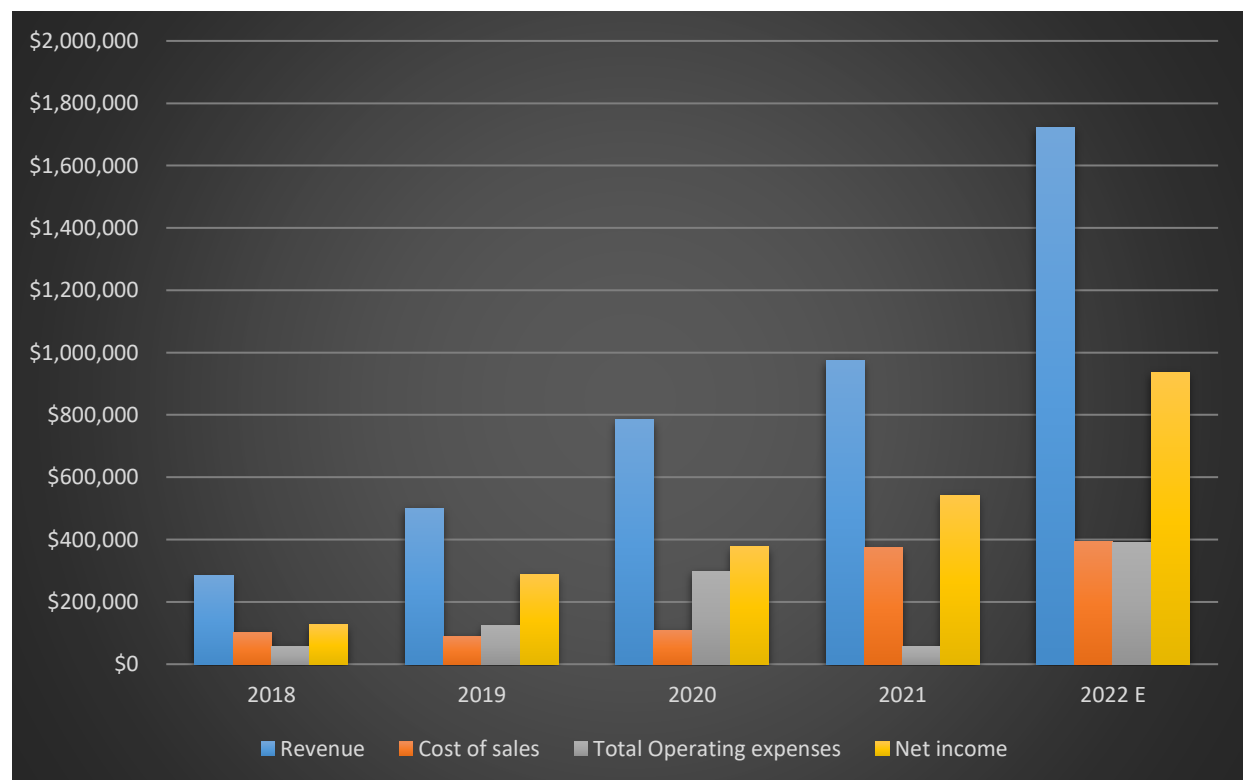
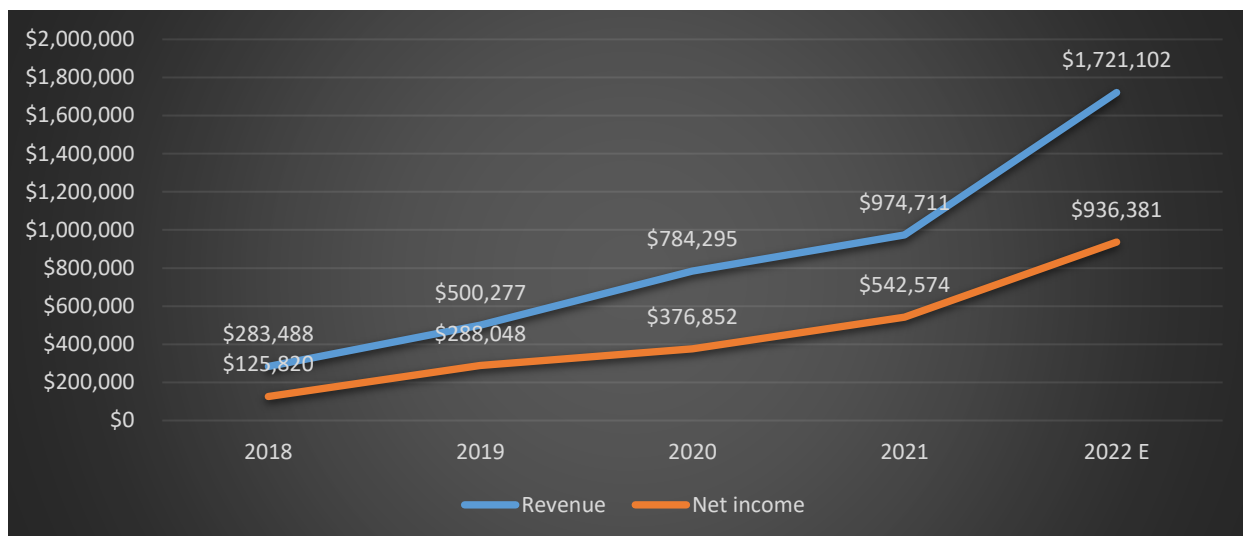
Over the past decade, the Owner operated the company very efficiently despite having limited resources. The business demonstrated great prospects for growth. Highlights of the past five year's performance is as under:

## Income Statement

Income Statement	2018	2019	2020	2021	2022 (Jan - May)	2022 E
Revenue	\$283,488	\$500,277	\$784,295	\$974,711	\$717,126	\$1,721,102
Cost of sales	\$100,703	\$89,113	\$109,454	\$373,972	\$148,994	\$393,343
<b>Gross margin</b>	<b>\$182,785</b>	<b>\$411,165</b>	<b>\$674,841</b>	<b>\$600,739</b>	<b>\$568,132</b>	<b>\$1,327,759</b>
<b>Gross margin %</b>	<b>64.48%</b>	<b>82.19%</b>	<b>86.04%</b>	<b>61.63%</b>	<b>79.22%</b>	<b>77.15%</b>
Automobile Expense	\$5,341	\$9,369	\$8,693	\$1,727	\$901	\$2,163
Bank Service Charges	\$2,548	\$157	\$263	\$0	\$0	\$0
Business Licenses & Permits	\$1,022	\$0	\$9,216	\$0	\$500	\$1,200
Charitable Contributions	\$100	\$150	\$0	\$0	\$0	\$0
Computer and Internet Expenses	\$141	\$68	\$0	\$0	\$0	\$0
Dues and Subscriptions	\$131	\$237	\$873	\$0	\$0	\$0
Equipment Rental	\$6	\$458	\$0	\$0	\$0	\$0
Insurance Expense	\$5,819	\$3,486	\$6,320	\$4,827	\$1,098	\$2,636
Interest Expense	\$1,455	\$4,323	\$6,263	\$0	\$0	\$0
Meals and Entertainment	\$13,283	\$13,195	\$4,252	\$0	\$2,336	\$5,607
Office Supplies	\$3,029	\$8,669	\$11,282	\$3,328	\$0	\$0
Payroll Expenses	\$16,313	\$63,929	\$192,884	\$39,996	\$154,923	\$371,814
Postage and Delivery	\$274	\$685	\$420	\$0	\$0	\$0
Professional Fees	\$340	\$4,000	\$30,645	\$4,871	\$125	\$5,171
Rent Expense	\$0	\$4,574	\$12,456	\$0	\$0	\$0
Repairs and Maintenance	\$4,082	\$3,298	\$8,727	\$0	\$0	\$0
Telephone Expense	\$2,691	\$4,740	\$3,393	\$239	\$124	\$298
Travel Expense	\$344	\$1,721	\$1,160	\$0	\$225	\$539
Advertising & Promotion	\$0	\$0	\$0	\$700	\$0	\$0
Other Business Expenses	\$44	\$58	\$1,142	\$2,477	\$813	\$1,950
<b>Total Operating expenses</b>	<b>\$56,965</b>	<b>\$123,116</b>	<b>\$297,989</b>	<b>\$58,165</b>	<b>\$161,045</b>	<b>\$391,378</b>
<b>Operating income</b>	<b>\$125,820</b>	<b>\$288,048</b>	<b>\$376,852</b>	<b>\$542,574</b>	<b>\$407,088</b>	<b>\$936,381</b>
Other Income	\$0	\$0	\$0	\$0	\$0	\$0
<b>Net income</b>	<b>\$125,820</b>	<b>\$288,048</b>	<b>\$376,852</b>	<b>\$542,574</b>	<b>\$407,088</b>	<b>\$936,381</b>
<b>Net income %</b>	<b>44.38%</b>	<b>57.58%</b>	<b>48.05%</b>	<b>55.67%</b>	<b>56.77%</b>	<b>54.41%</b>

## Profit & Loss Highlights

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$283,488	\$500,277	\$784,295	\$974,711	\$1,721,102
Gross Profit	\$100,703	\$89,113	\$109,454	\$373,972	\$393,343
Operating Exp.	\$56,965	\$123,116	\$297,989	\$58,165	\$391,378
Net Profit	\$125,820	\$288,048	\$376,852	\$542,574	\$936,381



## Key Financial Ratios

Financial Statement Analysis	2018	2019	2020	2021	2022 (Jan - May)
<b>Liquidity / Ability to Meet Obligations</b>					
Acid Test Ratio	0.00	0.13	0.22	0.26	0.30
Current Ratio	0.00	0.13	0.22	0.26	0.30
Operating Cash Flow to Net Income	1.21	1.10	0.98	1.01	1.01
<b>Profitability</b>					
Gross Profit Margin	64.48%	82.19%	86.04%	61.63%	79.22%
Operating Margin	44.38%	57.58%	48.05%	55.67%	56.77%
Net Profit Margin	44.38%	57.58%	48.05%	55.67%	56.77%
Direct Cost to Operating Revenues	35.52%	17.81%	13.96%	38.37%	20.78%
Return on Equity	-1619.77%	-5822.83%	8294.38%	14508.98%	12175.78%
<b>Leverage</b>					
Debt to Total Assets	1.42	1.10	0.92	0.94	0.95
Debt to Equity	(3.38)	(11.36)	11.09	14.43	17.29
Times Interest Earned	86.48	66.63	60.17	-	-
<b>ASSET MANAGEMENT RATIOS: Overall Efficiency Ratios</b>					
Sales-to-Assets	15.35	9.76	14.28	16.90	11.73
Return on Assets	681.13%	562.15%	686.11%	940.51%	665.78%
<b>Growth</b>					
Revenue Growth	100.00%	76.47%	56.77%	24.28%	47.15%
Net Income Growth	100.00%	128.94%	30.83%	43.98%	50.06%

## Weighted Average Business Value

Approach	Valuation	Weight	Weighted Value
<b>Percentage of Gross Sales Approach</b>	<b>\$2,451,727</b>	<b>20%</b>	<b>\$490,345</b>
<b>Monthly Sales Multiplier Approach</b>	<b>\$2,581,653</b>	<b>20%</b>	<b>\$516,331</b>
<b>Net Income Multiplier Approach</b>	<b>\$2,496,642</b>	<b>20%</b>	<b>\$499,328</b>
<b>FMV of Assets Plus % of Gross Sales</b>	<b>\$2,485,232</b>	<b>20%</b>	<b>\$497,046</b>
<b>FMV of Assets Plus Goodwill</b>	<b>\$2,516,451</b>	<b>20%</b>	<b>\$503,290</b>
<b>Weighted Average Business Value</b>			<b>\$2,506,341</b>

## Projected Income Statement

Income Statement	2023	2024	2025	2026	2027
Revenue	\$2,132,466	\$2,718,802	\$3,724,966	\$5,444,402	\$8,936,753
Cost of sales	\$698,560	\$890,633	\$1,220,236	\$1,783,493	\$2,927,528
<b>Gross margin</b>	<b>\$1,433,907</b>	<b>\$1,828,169</b>	<b>\$2,504,730</b>	<b>\$3,660,908</b>	<b>\$6,009,225</b>
<b>Gross margin %</b>	<b>67.24%</b>	<b>67.24%</b>	<b>67.24%</b>	<b>67.24%</b>	<b>67.24%</b>
Automobile Expense	\$12,575	\$14,461	\$16,630	\$19,125	\$21,994
Bank Service Charges	\$2,550	\$2,933	\$3,372	\$3,878	\$4,460
Business Licenses & Permits	\$1,000	\$1,150	\$1,323	\$1,521	\$1,749
Charitable Contributions	\$1,000	\$1,150	\$1,323	\$1,521	\$1,749
Computer and Internet Expenses	\$600	\$690	\$794	\$913	\$1,049
Dues and Subscriptions	\$500	\$575	\$661	\$760	\$875
Equipment Rental	\$1,200	\$1,380	\$1,587	\$1,825	\$2,099
Insurance Expense	\$6,500	\$7,475	\$8,596	\$9,886	\$11,369
Interest Expense	\$0	\$0	\$0	\$0	\$0
Meals and Entertainment	\$18,000	\$20,700	\$23,805	\$27,376	\$31,482
Office Supplies	\$9,500	\$10,925	\$12,564	\$14,448	\$16,616
Payroll Expenses	\$225,000	\$258,750	\$297,563	\$342,197	\$393,526
Postage and Delivery	\$750	\$863	\$992	\$1,141	\$1,312
Professional Fees	\$15,000	\$17,250	\$19,838	\$22,813	\$26,235
Rent Expense	\$24,000	\$27,600	\$31,740	\$36,501	\$41,976
Repairs and Maintenance	\$6,000	\$6,900	\$7,935	\$9,125	\$10,494
Telephone Expense	\$3,000	\$3,450	\$3,968	\$4,563	\$5,247
Travel Expense	\$3,500	\$4,025	\$4,629	\$5,323	\$6,122
Advertising & Promotion	\$53,312	\$67,970	\$93,124	\$136,110	\$223,419
Other Business Expenses	\$600	\$690	\$794	\$913	\$1,049
<b>Total Operating expenses</b>	<b>\$384,587</b>	<b>\$448,936</b>	<b>\$531,235</b>	<b>\$639,938</b>	<b>\$802,821</b>
<b>Operating income</b>	<b>\$1,049,320</b>	<b>\$1,379,232</b>	<b>\$1,973,495</b>	<b>\$3,020,970</b>	<b>\$5,206,404</b>
Other Income	\$0	\$0	\$0	\$0	\$0
<b>Net income</b>	<b>\$1,049,320</b>	<b>\$1,379,232</b>	<b>\$1,973,495</b>	<b>\$3,020,970</b>	<b>\$5,206,404</b>
<b>Net income %</b>	<b>49.21%</b>	<b>50.73%</b>	<b>52.98%</b>	<b>55.49%</b>	<b>58.26%</b>

